
CITY COUNCIL AGENDA ITEM

TO: Mayor & City Council

DATE: September 24, 2012

FROM: John McDonough, City Manager

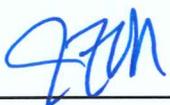
AGENDA ITEM: Consideration of the Extension of the Atlanta Grand Bohemian Hotel Land Disturbance Permit under Chapter 103, Article 6, Section 103-27(b)(4) Development Regulations Ordinance of the Code of the City of Sandy Springs

MEETING DATE: For Submission onto the October 2, 2012, City Council Regular Meeting Agenda

BACKGROUND INFORMATION: (Attach additional pages if necessary)

See attached:

Memorandum
Letter of Application

APPROVAL BY CITY MANAGER:  APPROVED

PLACED ON AGENDA FOR: 10/2/2012

CITY ATTORNEY APPROVAL REQUIRED: () YES () NO

CITY ATTORNEY APPROVAL: 

REMARKS:

MAYOR AND CITY COUNCIL

**Consideration of the Extension of the
Atlanta Grand Bohemian Hotel Land
Disturbance Permit under Chapter
103, Article 6, Section 103-27(b)(4)
Development Regulations Ordinance
of the Code of the City of Sandy
Springs**

To: John McDonough, City Manager

From: Angela Parker, Director of Community Development 

Date: September 18, 2012 for Submission onto the October 2, 2012 City Council Regular Meeting Agenda

Subject: Consideration of the Extension of the Atlanta Grand Bohemian Hotel Land Disturbance Permit under Chapter 103, Article 6, Section 103-27(b)(4) Development Regulations Ordinance of the Code of the City of Sandy Springs

Department of Community Development Recommendation:

APPROVAL of the extension of the Atlanta Grand Bohemian Hotel Land Disturbance Permit for a period of 180 days due to inability to secure financing for the project.

Background:

On August 18, 2009, the Mayor and City Council amended Chapter 103, Article 6, Section 103-27(b)(4) Development Regulations Ordinance of the Code of the City of Sandy Springs to allow for extensions to Land Disturbance Permits by the Council should a project show justifiable cause as defined in the ordinance.

Discussion:

An extension of a Land Disturbance Permit is justifiable if an inability to obtain financing, despite documentation of the property owner's efforts during the three (3) months prior to the applicant seeking an extension and continuing until one (1) week prior to consideration of the extension request to the City Council. Documentation shall consist of two (2) official denials signed by officers of two (2) different lending institutions who have final jurisdiction over such financial transactions.

Alternatives:

The Council could choose not to approve the extension of the Atlanta Grand Bohemian Hotel Land Disturbance Permit, requiring the project to be permitted again under current codes and ordinances.

Financial Impact:

None.

Concurrent Review:

Wendell Willard, City Attorney
Cecil McLendon, Assistant City Attorney

Attachment:

Letter of Application for Extension and Determination of Justifiable Cause.

FOLTZ MARTIN LLC

ATTORNEYS AT LAW

5 PIEDMONT CENTER SUITE 750 ATLANTA GA 30305-1541
TELEPHONE 404-231-9397 / FACSIMILE 404-237-1659

September 24, 2012

VIA FACSIMILE TO 770/206-1562Patrice S. Dickerson, AICP
Manager of Planning and Zoning
Department of Community Development
City of Sandy Springs
7840 Roswell Road, Building 500
Sandy Springs, Georgia 30350**Received**

SEP 24 2012

**City of Sandy Springs
Community Development
Department****Re: Sandy Springs Grand Bohemian Hotel
Land Disturbance Permit #200700031 ("LDP") issued to The Kessler
Enterprise, Inc.**

Dear Patrice:

The Kessler Enterprise is requesting an extension of time for commencement of construction under the LDP because of the continuing difficulty in obtaining hotel construction financing currently occurring in the credit markets. As we have stated before, the size of the construction loan involved for this project would require several banks to participate in the loan. Participating construction loans are still not available in the market place. (We have enclosed letters of denial from two construction mortgage lenders.)

The Kessler Enterprise continues to diligently pursue placement of construction financing for the project.

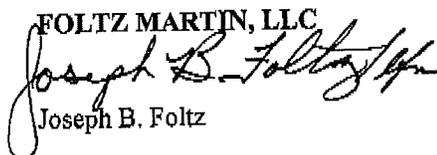
We understand this request will have to be brought before the Mayor and Council at a scheduled meeting. We would ask that this be heard at the October 2, 2012, meeting.

Kindly advise if there is anything further we can provide in order to help the Council and Mayor make a favorable decision on this request.

Thank you for your consideration in this matter.

Best regards.

Sincerely,

FOLTZ MARTIN, LLC

Joseph B. Foltz

JBF/lfm

cc: Mr. Day B. Dantzler, via email



PO Box 120 - Columbus, GA 31902

September 24, 2012

Mr. Richard C. Kessler
President
Kessler Grand Bohemian Atlanta, LLC
4901 Vineland Rd.
Suite 650
Orlando, FL 32811

Re: Kessler Grand Bohemian Atlanta, LLC
Grand Bohemian Hotel - Atlanta
Construction Loan Financing

Received

SEP 24 2012

*City of Sandy Springs
Community Development
Department*

Dear Mr. Kessler:

We have reviewed your request relative to construction loan financing on the above referenced project. Given the current financial market conditions and restricted lending parameters in the banking industry and our institution, we are unable to provide financing at this time. When the lending environment returns to a more normal operational position, we would like to revisit this project.

Thank you for presenting this opportunity to us and we hope to be able to entertain your request at a later date.

Very truly yours,

J. Mark Snead, Jr.
Vice President
Corporate Banking
CB&T- A division of Synovus Bank



September 24, 2012

Mr. Richard C. Kessler, President
Kessler Grand Bohemian Atlanta, LLC
4901 Vineland Rd., Suite 650
Orlando, FL 32811

Re: Kessler Grand Bohemian Atlanta, LLC
Construction Loan Financing for
Grand Bohemian Hotel – Atlanta

Received

SEP 24 2012

*City of Sandy Springs
Community Development
Department*

Dear Mr. Kessler:

We appreciate the opportunity to review the request for construction loan financing for the Grand Bohemian Hotel – Atlanta project. At this time we unfortunately must decline the request.

We value our relationship with you and your company and would appreciate the possibility of re-visiting this project in the future when economic conditions are more favorable.

Thanks again for the opportunity and we look forward to a continued relationship with you in the future.

Sincerely,

A handwritten signature in cursive script that reads "Ed Timberlake".

Ed Timberlake
Chairman, Central Florida Board